



**MISSOURI  
DEPARTMENT OF  
NATURAL RESOURCES**

**Local Government Kitchen Cabinet Notes  
Lewis & Clark State Office Building, April 11, 2014  
10 a.m. to 3 p.m.**

**Welcome & Introductions**

The meeting began with a welcome from Department of Natural Resources Director Sara Parker Pauley, followed by introductions of those in attendance. This is the third year for the four industry kitchen cabinet meetings hosted by the department, and last year an all kitchen cabinet meeting was added.

**Our Missouri Waters**

Jennifer Hoggatt provided an overview of Our Missouri Waters (OMW) activities during the pilot year, as well as the three watersheds slated for work to begin in 2014.

- The department is synchronizing permits within watersheds to facilitate watershed planning and effects. OMW is broader than permitting – it allows the department to apply resources strategically and focus on priority problems.
- The department chose watersheds based on broad criteria using a multi-media (air, land and water) technical work group. The pilot watersheds rose to the top in virtually every criterion considered.
  - Eleven new watersheds are being implemented in 2014 along with the three pilot watersheds.
  - In five years, all 66 watersheds should be part of OMW.
  - In the second five year rotation, the process will be continued and we'll be using the process to focus resources in a strategic way, addressing priorities.
- In response to how other states are involved in this effort, Jennifer explained that in the Spring River watershed, extension services at both Kansas University and University of Missouri are engaged in the process. A Memorandum of Understanding is in development among the states of Arkansas, Oklahoma, Kansas and Missouri to share data and prioritize resources for water protection. In southwest Missouri, where water quantity is an issue, the department is engaged with the states of Arkansas and Oklahoma.
- In each watershed, the first goal is to collect information, both internal and external to the department. The development of a Watershed Management Plan

is the goal chosen in some, but not all watersheds. Watershed plans are useful and provide guidance and general direction.

### **Affordability**

Affordability has been identified as an important issue by the Missouri General Assembly, now described in RSMo. 644.105, passed in 2012. This statute recognizes the challenges communities face when dealing with the cost of maintaining and upgrading infrastructure to comply with environmental laws and regulations. John Madras, the department's Director of the Water Protection Program, discussed how the department assesses affordability for communities.

- Affordability assessments result in a finding of high, medium or low burden. For example, a finding that a rate equal to two percent of the community's median household income for wastewater or drinking water is considered a high burden.

### **Community Services**

Robert Stout explained the department's plans to assist small communities with populations between 500 and 5,000. The department is taking a proactive approach to assist these communities before enforcement becomes an issue. Beginning in May 2014, DNR regions will begin evaluations of the communities in one of our targeted watersheds. We will then select communities to contact and assist in infrastructure evaluation and planning discussions. While many larger communities tend to have technical staff, small to medium sized communities often lack the technical, financial and legal expertise to evaluate their needs, develop plans and access resources.

John Madras suggested the idea of contracting with several engineering firms, then letting communities select a consultant from this list. The department would provide funding to pay the engineering contractor to help the community evaluate their needs and develop a proposal. This process would help communities decide what best addresses their needs, and perhaps prepare them to apply for the state revolving fund (SRF) or other grants and loans. This suggestion was strongly supported by the participants.

### **Facilitated Discussion**

The group was asked where the department should focus from now until 2016. The department's efforts are directed toward strategic use of staff and resources to address the highest priorities.

Director Pauley announced that Eric Crawford has accepted the position of Financial Assistance Center (FAC) director, and would start work April 14.

- MARC is evaluating the benefit of green infrastructure – examining how effectively green infrastructure benefits drinking water and/or stream protection. As they

implement integrated planning, they wish to evaluate the relationship of infrastructure and environmental health. Director Pauley indicated she would like to hear more on this topic. MARC also stated their support for watershed-based planning.

- MSD indicated their stormwater needs alone were approximately \$40 million per year, and they believed that the need estimates provided by the department were on the low side. John Madras explained that the needs data was based on existing engineering cost estimates, where available. There are likely to be additional needs for which we do not have estimates. MSD uses green infrastructure for overflow as indicated in their MS4 permit. While green infrastructure is becoming a staple of the development community, governments need to understand that the use of green infrastructure to solve problems is limited. It may not be the solution for goals such as those outlined in TMDLs. What happens when green infrastructure alone is not able to generate improvements in local water quality – how much more will communities be required to spend?
- Trenton agreed that the needs analysis dollar amounts should be much larger than the department's figures indicated, and questioned whether these included estimated costs of new construction.
- Participants discussed how to get the message delivered to mayors and city councils. Director Pauley asked participants how DNR could get their assistance on messaging these important issues. One suggestion was at conferences like the recent MWWA conference, and in water protection forums.
- Another participant pointed out that DNR staff often have good relationships with the professional staff that operate drinking and wastewater facilities, but that we need to also talk to the local mayors and city council members. Even with all the best plans in the world, and all our good intentions, even the “low” need numbers DNR cited are incomprehensible at a local level.
- Another participant agreed that the message must get to the local elected officials, and that DNR needs to consider the community comprehensive needs, not just one issue, such as wastewater infrastructure – maybe even beyond DNR's responsibilities. This would be a more global approach to community services. The local communities need to develop their own priorities.
- Participants noted they'd never had discussions with DNR about topics like affordability and community services. The dollar amounts of identified needs are overwhelming. The commenter doubted that we had a good assessment of needs in small communities. RPCs tend to react to requests from communities after they've received a letter from DNR, so end up helping to find funding to fix the problem, but not fully evaluating the community's needs. The department will not be able to regulate these communities into perfect compliance. For example, after six years with a new system, the community may again be out of compliance, as EPA

continues to set moving targets. Many years ago, Missouri decided on a state road system, but relied on communities to fund water and sewer systems. We'll have to change this culture through a greater partnership with local communities.

- A participant recommended the department spend the next two years working on an assessment of the needs in local communities.
- Director Pauley shared an example in Texas, where a constitutional amendment for infrastructure was passed. As federal funding decreases, states may have to provide more and more funding. Another example was provided regarding USDA funding – when USDA funds a water system in a community, every house has to connect and the community has to place monies into a replacement fund, so the system is sustainable.
- One of the participants commented that DNR needs a “good business case” for why communities should be concerned about wastewater or drinking water needs. Since the pipes are buried, unlike more visible infrastructure such as roadways, these issues aren't getting the attention they need – they don't generate votes for local officials interested in being re-elected. We've got to do a better job of marketing the issues of human and environmental health, legacy issues, not just throwing big money at a problem without big benefits. Locals have to see the benefit. Then we need to help them recognize and market the benefit. For example, Monett passed a large wastewater bond issue because the community saw the benefit. We need to help communities learn how to tell the story to their customers.
- Regionalization was raised as a potential answer, but with the acknowledgement that it is hard to accomplish. There are authority issues that must be overcome, as one community doesn't want to be held responsible for another community's problem because they're operating under the same permit. Robert pointed to success in drinking water regionalization, but a participant pointed out that regionalization had taken 20 – 25 years.
- Joe Engeln pointed to several successful bond issues, where the communities had maps to show to voters. We need locals to tell the story. Perhaps DNR has been rewarding bad behavior, by awarding funds to a community after an emergency has occurred. A participant followed up with an example – DNR moving SRF administrative funds to assist communities that find themselves in a crisis after failing to address a problem. That ends up punishing the communities doing the right thing, as there is less funding available overall.
- MSD's representative pointed out that the public can appreciate fewer backups in their basements and overflows in neighborhood creeks. MSD collects data due to their consent decree, but do other communities? Perhaps Soil & Water could show that after creeks are stabilized, the amounts of sediment and phosphorus are reduced, as well as erosion of yards.

- Ryan Mueller asked at what point do communities consider public / private partnerships an answer. What could DNR do to assist this effort? A participant noted that American Water has purchased sewer systems in the past. But for some, that is giving up too much autonomy. Also, rates typically increase when a private entity takes over a system.
- MML suggested looking at rates based on user charges, or other than user fees, as the locals are concerned about their costs. A participant compared a \$60 sewer bill to what people pay for cell service or cable television charges.
- Karen Massey mentioned P3s, but that there were a couple of barriers – although systems have been financed in the past. This could trigger tax consequences if funded by tax-exempt funds. Some communities who tried this early on ended up on the short end of the stick. Communities need help with capacity (ex.: expertise in dealing with legal agreements).
- Branson mentioned accountability – for example some don't take care of their underground pipes if they hook to the community's system. The bad players get away with it, while the other communities are doing the right thing.

Question # 2 was posed to the group – What innovative approaches have you seen that we need to promote?

- One participant asked if facilities need to be upgraded if the community's population is declining. John Madras explained that in areas of declining population, the department looks at the demographics before determining if an upgrade is necessary. In a community where there are kids, or people in their 20s – 30s, it makes sense to invest for the future. Where the residents are all elderly, it may not make sense to push for upgraded facilities. A DNR staffer noted that we would need to know the population's decline in numbers for an affordability review. DNR uses existing census data, but this can change quickly if a plant or other employer closes suddenly. One person noted that as populations decrease, affordability may be out the window, as rates are based on the number of users, creating a downward spiral.
- One participant asked if declining populations in communities are due to relocations to urban areas? MSD replied that it was unclear, as they noted that St. Louis County populations were declining while St. Charles County populations were increasing.
- It may be possible for DNR to provide introductory engineering services to help get communities started toward development of a loan application. Once the community had completed the design phase with an engineering firm, they could move on to a second company to plan for actual construction. DNR would contract with the engineering firms, then have them help the communities using a state vs. a local contract. The community could have input in selecting an engineering firm they are comfortable with. This would be just for development of the preliminary engineering report phase, typically just over 60 days.

- A participant asked about water quality trading, recognizing that this is complex, but we could focus on other communities using a watershed approach.
- Another participant suggested that DNR share their concerns with EPA, and find out if, for example, controls on ammonia were really needed in smaller systems.
- Another participant didn't see too many communities doing innovative things, pointing out that wastewater activities are driven by the engineering community. Trying to educate engineers is tough. One cabinet member stated that an engineer may over-engineer a project for a small community, who then can't maintain the facility.
- A participant noted that small communities rely on their engineers for technical needs, and think they "walk on water." Local officials don't even understand their permits, they rely on the engineers, and their first contact with DNR is often when they receive an NOV or have to submit a design.

### **Roundtable discussion**

Everyone in attendance was given an opportunity to share their associations' concerns / kudos regarding interactions with the department; priority issues they're addressing; upcoming event notices, etc..

### **DNR Updates**

- Dan Norris from the department's Hazardous Waste Program demonstrated the Long-Term Stewardship (LTS) map system, which was shown to the Environmental Council of the States (ECOS) this month by Sara. This system allows the public to identify environmental hazards before redevelopment takes place.
  - Underground storage tanks are not yet included in the system. Long-term management of previously contaminated sites is required to protect the public.
  - Active sites on the map are being assessed or cleaned up
  - Complete sites are those with contaminants removed (no known risk)
  - The goal at a LTS site is to ensure there is no contaminant release. For example, at an old landfill, the owner installed a storm drain next to a daycare, which became filled with methane. (Maybe reuse of a former thermometer manufacturing site as a daycare was not the best idea.)

Communities can download the entire data set, which is refreshed monthly, to their GIS systems so access to locations of LTS sites is easy. There are also ARCmap options. The system links to scanned documents, like easements, for specific sites.

- Carey Bridges, Director of the Geological Survey Program in the department's Missouri Geological Survey demonstrated GeoSTRAT, a Google Earth-based application that the department has developed. Google Chrome or other browsers are required. Certain wells, well logs, springs, dye traces and caves have KMZ files or

Arc GIS, either individually or as a zip file. Springfield has already downloaded their data to their GIS system.

- Mary Mulhern, the department's Legislative Director provided a legislative update that was current on the meeting date. Here is a summary of the key legislation that the department was tracking at the end of this year's session:

**2014 Bills Truly Perfected and Finally Passed:**

**SB 642** - One of two DNR omnibus bills passed this session, this bill addresses surface mining, strip mining, land reclamation, surface mining, wood burning appliances, authority of the Clean Water Commission, water quality standards, affordability analysis for publicly owned treatment works and extends the following fees: scrap tire; hazardous waste; radioactive waste; safe drinking water; clean water and air. More information on this bill can be found at:

[http://www.senate.mo.gov/14info/BTS\\_Web/Bill.aspx?SessionType=R&BillID=27811600](http://www.senate.mo.gov/14info/BTS_Web/Bill.aspx?SessionType=R&BillID=27811600)

**SB 664** – The second omnibus bill, which includes: extension of scrap tire fee, wood burning appliances, water quality standards and affordability analysis of publicly owned treatment works. More information can be found at:

[http://www.senate.mo.gov/14info/BTS\\_Web/Bill.aspx?SessionType=R&BillID=28116588](http://www.senate.mo.gov/14info/BTS_Web/Bill.aspx?SessionType=R&BillID=28116588)

**HB 1302** –identical to wood burning appliance language in **SB 642** and **SB 664**.

**HB 1631** –identical to carbon dioxin emissions standards in **SB 664**.

**HB 1201** –identical to surface mining language in **SB 642**.

**SB 735** - This bill requires a campground owner inform campground guests of the campground's policy on curfew, alcohol use, tobacco use, and pet policy, and defines causes for which a campground owner can eject a person from a campground. This bill does not apply to state parks. More information is available at:

[http://www.senate.mo.gov/14info/BTS\\_Web/Bill.aspx?SessionType=R&BillID=28374858](http://www.senate.mo.gov/14info/BTS_Web/Bill.aspx?SessionType=R&BillID=28374858)